DEPARTMENT OF TRANSPORTATION

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September 10, 2004

Mr. Gene K. Fong Division Administrator Federal Highway Administration 650 Capitol Mall Suite 4-100 Sacramento, CA 95814 Mr. Leslie T. Rogers Regional Administrator Federal Transit Administration 201 Mission Street, Suite 2210 San Francisco, CA 94105

Attention: Ms. Sue Kiser

Attention: Mr. Ray Sukys

Dear Ms. Kiser, Mr. Sukys:

Thank you for your September 3, 2004 letter alerting us of the potential expiration of the Federal Statewide Transportation Improvement Program (FSTIP). The California Department of Transportation (Department) along with Metropolitan Planning Organizations (MPOs) share your goal to take timely action on the new FSTIP by October 4, 2004. To meet that goal, I am transmitting the FSTIP for Fiscal Years 2004/05-2006/07 for your approval.

We will continue to work closely with your staff to facilitate timely review of the materials submitted as part of the FSTIP. Discussions between the Division of Transportation Programming and your staff in mid-August outlined a plan for submittal of completed FSTIP sections in advance, and submittal of the final FSTIP in mid-September, to achieve review and approval before expiration of the 2002 FSTIP. We understand your staff has already begun review of the following FSTIP sections submitted in advance of this transmittal of the entire FSTIP:

- 1) Planning section, submitted to FHWA on August 31, 2004.
- 2) The rural non-MPO section, submitted on September 1, 2004.
- 3) The financial model, presented and discussed on September 7, 2004.

Under the authority delegated to me by the Governor, I also approve and incorporate into the FSTIP by reference MPOs Federal Transportation Improvement Programs (FTIPs) as listed in the enclosed FSTIP. For those areas of the State not covered by MPOs, this FSTIP includes project listings, schedules and revenue sources.

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Consistent with the staff discussion between the Department, Tahoe Metropolitan Planning Organization (TMPO), Santa Barbara County Area of Governments (SBCAG), Federal Highway Administration (FHWA) and Federal Transit Administration (FTA), my approval of the FSTIP excludes projects from the TMPO and SBCAG regions. These projects will be forwarded to FHWA and FTA to be included in the 2004 FSTIP following adoption of the FTIPs by TMPO and SBCAG and the approval by the Department.

In addition, SACOG's Sacramento ozone non-attainment area and Sutter Yuba ozone non-attainment area have been included in the approval of the FSTIP. In the event that SACOG Sacramento ozone non-attainment area goes into lapse as of October 4, 2004 the Sutter Yuba ozone non-attainment area at that time will be the only part of the SACOG FTIP considered as approved.

In compliance with Title 23 CFR 450.220, I certify that the 2004 FSTIP was developed in accordance with the applicable requirements of Federal Transportation Statutes. A signed certification and supporting documentation are included in Exhibit II of the FSTIP.

This FSTIP includes a financial plan with revenue and program cost information that demonstrates the FSTIP is financially constrained to revenues that can reasonably be expected to be available. In addition, the FSTIP will be amended to reflect a constrained Highway Bridge Replacement and Rehabilitation (HBRR) Program, the 2004 adopted State Transportation Improvement Program (STIP), and the finalized non-urbanized area formula program projects. The constrained HBRR list will be available in the middle of November and the amended FSTIP based on the new list should be complete in early 2005. The FSTIP amendments based on the 2004 adopted STIP and the finalized non-urbanized area formula program will be completed by the end of 2004.

I want to thank you and your staff for your cooperation and assistance during the development of this FSTIP. I look forward to your timely approval of this FSTIP.

Sincerely,

Kandell A Lusal.

Interim Director

Enclosures

c: Steven Barhite - EPA
MPO Executive Directors